

May 25, 2011

VIA ELECTRONIC FILING

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42;
Federal State Joint Board on Universal Service, CC Docket No. 96-45;
Lifeline and Link Up, WC Docket No. 03-109

REPLY COMMENTS

Dear Ms. Dortch:

The National Consumers League¹ and Consumer Action² would like to take the opportunity to provide reply comments in response to the Lifeline and Link Up Reform and Modernization *Notice of Proposed Rulemaking*.

As stated in our previous filing as members of the Keep USF Fair Coalition,³ we oppose any cap on the size of the Fund. Given the current state of the economy, the recession and the number of working poor and un- and under- employed Americans, it is unwise to put less money into the Lifeline and Link-Up programs that provide low-income consumers with a critical link to job prospects, government benefits providers and family and social support networks. The timing could not be worse for millions of Americans.

Instead of hurting those who need and benefit from Lifeline and Link-Up (LL/LU) by capping the fund to find savings, we believe that redundancies in companies providing voice service via the High Cost Program is by far the most important driver of the growth of the USF. Reforming the High Cost Program to support broadband should be the first and most important source of savings for the Fund, not limiting the access of

¹ The National Consumers League, founded in 1899, is America's pioneer consumer organization. Our mission is to protect and promote social and economic justice for consumers and workers in the United States and abroad. For more information, visit www.nclnet.org.

² Consumer Action is a San Francisco-based consumer advocacy and education organization that works through a national network of more than 8,000 community based organizations.

³ April 21, 2011 Comment of Keep USF Fair in the FCC Docket Re: WC Docket No. 11-42: <http://fjallfoss.fcc.gov/ecfs/document/view?id=7021240498>

low-income consumers. To this end, NCL and Consumer Action support the comments⁴ that proposed wireless broadband pilot projects using LL/LU funds. These are critical tests for finding the right way to connect low-income consumers to broadband generally.

We also reiterate our support for raising the income-eligibility level to 150 percent of federal poverty guidelines. As AARP stated in their comments, “150 percent... is a common threshold used by other federal low-income assistance programs.”⁵ Given the ever-rising cost of living for low-income consumers, even those who are not so close to the poverty line, it is necessary to provide consumers with relief in this recession. In fact, giving more consumers access to wireless broadband with an expanded LL/LU is a good way to invest in their eventual exit from the program, thanks to their greater access to online job resources, training materials, and other telecommunications-based resources.

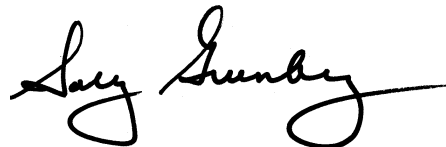
Finally, we concur with comments from other advocates calling for self-certification as our preferred way for consumers to prove eligibility for LL/LU service.⁶ NCL applauds the suggestion from consumer advocates⁷ that statistically-significant random audits be used to address the problem of fraud in the system.

Our organizations have consistently supported the Lifeline and Link Up programs and the mission of universal service for all Americans. We continue to applaud the Commission’s commitment to the program, and look forward to working together to improve and expand the Lifeline and Link Up program so that more Americans benefit from telecommunications services.

Respectfully submitted,



Ken McElDowney
Executive Director
Consumer Action



Sally Greenberg
Executive Director
National Consumers League

⁴ April 21, 2011 FCC docket re: Re: WC Docket No. 11-42; Comments of AARP (<http://fjallfoss.fcc.gov/ecfs/document/view?id=7021240500>), Benton Foundation (<http://fjallfoss.fcc.gov/ecfs/document/view?id=7021240643>) One Economy (<http://fjallfoss.fcc.gov/ecfs/document/view?id=7021240034>)

⁵ April 21, 2011, Comments of AARP: (<http://fjallfoss.fcc.gov/ecfs/document/view?id=7021240500>)

⁶ April 21, 2011, Filing with the FCC dockets WC Docket No. 11-42; CC Docket No. 96-45; WC Docket No. 03-109; Comments filed by Olivia Wien, National Consumer Law Center: <http://fjallfoss.fcc.gov/ecfs/document/view?id=7021240528>

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